

## Message Text

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PAGE 01 LAGOS 12455 171605Z

45

ACTION OPIC-06

INFO OCT-01 AF-06 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 XMB-02 LAB-04 SIL-01

L-03 /080 W

----- 071717

R 171500Z DEC 75

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 2441

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E. O. 11652: N/A

TAGS: EFIN, NI

SUBJ: OPIC AGREEMENT UNDER CLOUD

1. MIN FINANCE LEGAL ADVISER G. U. OSAKWE CALLED ON EMBOFF DEC. 11 FOR DISCUSSION OF INVESTMENT GUARANTY (OPIC) AGREEMENT. OSAKWE CAME STRAIGHT TO POINT BY STATING THAT NEW FMG DID NOT SEE THE NEED FOR SUCH AN AGREEMENT. IN VIEW OF THE EXISTENCE OF THE CONVENTION ON THE SETTLEMENT OF INVESTMENT DISPUTES BETWEEN STATES AND NATIONALS OF OTHER STATES AND THE INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES (ICSID), FMG IS OF OPINION OPIC AGREEMENT IS SUPERFLUOUS AND UNNECESSARY. OSAKWE MAINTAINED US AND OTHER DC'S HAD BEEN PRIME SPONSORS OF ICSID. HOWEVER, OUR INSISTENCE ON OPIC AGREEMENT LEAVES IMPRESSION THAT WE HAVE NO FAITH IN IT OR IN CONVENTION. IF THIS TRUE WE SHOULD SO STATE, OSAKWE MAINTAINS.

2. OSAKWE MADE IT CLEAR THAT IT IS THE GOVERNMENT IN POWER SINCE JULY 29 THAT IS QUESTIONING THE AGREEMENT. ASKED IF THIS MATTER HAS BEEN SUBJECT OF FEC DISCUSSION, OSAKWE SAID HE PRESUMED SO. COMMISSIONER EKUKINAM HAD THE SAME DAY INSTRUCTED HIM TO INITIATE CONVERSATION ON OPIC WITH EMBASSY AND OSAKWE DOUBTED COMMISSIONER WOULD HAVE DONE SO WITHOUT AN FEC MANDATE. ASKED IF FMG INTENDED LIMITED OFFICIAL USE

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PAGE 02 LAGOS 12455 171605Z

TO TERMINATE AGREEMENT, OSAKWE SAID NO. HE HAD BEEN INSTRUCTED TO

BEGIN DIALOGUE WITH EMBASSY WHICH FMG HOPED WOULD LEAD TO MUTUAL DECISION TO TERMINATE AGREEMENT.

3. EMBOFF ATTEMPTED TO CONVINCE OSAKWE OF THE NEED FOR AN OPIC PROGRAM IN NIGERIA, STRESSING ITS INDUCEMENT TO INVESTMENT AND THE FACT THAT WE HAD OPIC AGREEMENTS WITH OVER 90 COUNTRIES. OSAKWE CONCEDED THESE POINTS BUT INSISTED THAT ICBID PROVIDED ADEQUATE PROTECTION AND COULD ALSO BE CONSIDERED AN INDUCEMENT. IN RESPONSE TO QUESTION OSAKWE SAID FMG HAD OPEN MIND ON SUBJECT. HE REPLIED AFFIRMATIVELY WHEN ASKED IF FMG WOULD AGREE TO KEEP AGREEMENT IN EFFECT IF USG COULD CONCINCE FMG OF THE NEED FOR ITS EXISTENCE. ALSO SAID FMG WOULD BE HAPPY TO MEET WITH AN OPIC/DEPT DELEGATION FOR DISCUSSION.

4. COMMENT: FMG DOES NOT SEEM OPPOSED TO OPIC PER SE BUT TO USG INSISTENCE ON NEED FOR INVESTMENT GUARANTY AGREEMENT WHEN IN FMG OPINION ADEQUATE PROTECTION FOR INVESTORS ALREADY EXISTS. BEST TACK MAY BE TO PUT FORWARD AREAS IN WHICH ICSID MAY HAVE PROVEN TO OFFER INADEQUATE OR UNSATISFACTORY PROTECTION FOR INVESTORS. IN ADDITION, OTHER SERVICES PROVIDED BY OPIC (ESPECIALLY ITS WORK AS BROKER IN BRINGING JOINT VENTURE PARTNERS TOGETHER) SHOULD BE DESCRIBED WITH WARNING THAT TERMINATION OF OPIC AGREEMENT WOULD ENDANGER IF NOT DESTROY THESE SERVICES.

5. OSAKWE SAID FMG HOPES FOR PRELIMINARY RESPONSE AT DEPT'S EARLY CONVENIENCE.  
EASUM

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, INVESTMENT GUARANTEES, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 DEC 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
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**TAGS:** EFIN, NI, OPIC, ICBID, (OSAKWE, G U)  
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